



National Western Center “Triangle” Project Overview

The City and County of Denver (the “City”), through its Performance Based Infrastructure (“PBI”) Office, is soliciting a Developer to design, build, finance, operate, and maintain Phases 3-8 of the National Western Center (“NWC”) Master Plan, consisting of approximately 60 acres on the southeast corner of the 250-acre NWC Campus, also known as the “Triangle.” This brief summary of the Triangle Project scope is being distributed to interested firms in advance of the Triangle Partnership Opportunity Forum, scheduled for February 11, 2019, in order to provide select updates to the information currently available regarding the Triangle Project procurement.

The program for the Triangle includes development of a new approximately 10,000 seat arena, exposition hall, rehabilitation of the historic 1909 Stadium Building, and construction of supporting parking and associated infrastructure and public spaces (together, the “Public Elements”). The City anticipates selling the portions of the Triangle site not required for the Public Elements to the Developer for development of other private real estate uses (the “Private Development”). The Public Elements and the Private Development together comprise the Triangle Project. A Site Plan including Phases 1 & 2, which are outside the scope of the Triangle Project, and an outline of the location of the Triangle is included as Exhibit A, attached.

Phases 1 & 2 of the capital build program are underway and proceeding on time and on budget. This work includes the development of a new equestrian center, livestock center, maintenance and operations facility and new stock yards as well as supporting roads, bridges and infrastructure. These phases are funded from a City-wide ballot measure passed by Denver voters in 2015 as well as additional sources.

The City is leading the procurement for the Project and will serve as counterparty on the Project Agreement. The National Western Center Authority (the “Authority”) is a critical partner on the Project and will perform certain operating activities on Phases 1 & 2 as well as in the Triangle.

The City is seeking a hybrid availability payment design-build-finance-operate-maintain public-private partnership delivery model for the Project to access key delivery benefits, including:

- Transfer of construction cost and schedule risk;
- Accelerated delivery schedule and phasing across multiple elements;
- Integration of site planning, vision, and interface to improve Project outcomes;
- Access to operational expertise for specialized facilities; and
- Transfer of long-term performance risk to ensure Project success.

The Public Elements are anticipated to occupy approximately 18 acres of the Triangle site. It is anticipated that the Developer will also purchase rights for the Private Development on the remaining portions of the Triangle site, consisting of approximately 42 acres, in exchange for one or more land take-down payments. The Developer will have the opportunity to configure the overall site to incorporate Public Elements and Private Development in a manner best suited to the achievement of Project goals. The land not required for the Public Elements will be available for the development of other uses to be proposed by the Developer, which may include office, retail, hospitality, entertainment, educational,



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housing, and research and development uses. The City encourages the Developer to include plans for Private Development within, or in place of, the decommissioned Coliseum structure and on the Denver Coliseum Parking Lots.

Any development on the site will need to be coordinated with work underway on Phases 1 & 2 and allow for the ongoing operation of three annual events: the National Western Stock Show, the Rodeo All-Star Weekend, and the Denver County Fair.

The Developer will be responsible for financing construction of both the Public Elements and the Private Development. The City anticipates that any land take-down payments made by the Developer related to the Private Development made during construction of the Public Elements will be used to fund development costs for the Public Elements and reduce the total required long-term financing amount. If needed, the City will make an annual availability payment to the Developer to partially offset the cost of long-term capital financing related to the Public Elements and/or long-term operations and maintenance costs. This hybrid availability payment transaction structure is intended to leverage the opportunity for private real estate development on the Triangle to facilitate the timely and cost-effective completion of the Project vision, while minimizing fiscal impact and risk to the City.

The City is pursuing establishment of an urban renewal area at the Triangle site. If established, the City anticipates receiving tax increment revenues ("TIF") generated on the Triangle site, including revenues generated in respect of the Private Development, to defray the cost of any annual availability payments made to the Developer. TIF revenues will not be available for direct payments to the Developer.

The City also anticipates organizing Title 32 metropolitan districts to encompass the Private Development. Capital mill levy revenues imposed and collected by these metropolitan districts are expected to be made available to the City to defray the cost of any annual availability payments. Metropolitan district mill levy revenues will not be retained by the Developer.

The City is committed to diversity and inclusiveness, sustainability, partnership and community goals for the NWC Campus and will require the selected Developer to fulfill all of these goals as part of its approach to the Project.

More detail on the Project, the proposed transaction and the procurement process will be provided at Triangle Industry Opportunity Day on February 11, 2019. All interested firms are encouraged to attend, and eligible entities are encouraged to submit a request for a one-on-one meeting to discuss, in further detail, key questions, comments and considerations related to the Project approach in advance of the release of the Request for Qualifications on March 1, 2019.